



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
CHARLES J. KROGMEIER, DIRECTOR

## INFORMATIONAL LETTER NO. 934

**DATE:** August 23, 2010

**TO:** Iowa Medicaid Individual Consumer Directed Attendant Care (CDAC) Providers

**ISSUED BY:** Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

**RE:** Rates Restored for Individual CDAC Services

**EFFECTIVE:** July 1, 2010

On June 30, 2010 in Informational Letter 920, the IME notified Individual CDAC providers that rate cuts enacted on December 1, 2009 (part of a 10% across-the-board cut in state spending) would continue through the new State Fiscal Year beginning July 1, 2010. **This has changed! The 2.5% rate decrease originally enacted beginning in December of 2009 will be restored effective July 1, 2010.** This is due to a recent mediation and settlement between the State of Iowa and AFSCME, the union representing all Individual CDAC providers. The restoration of the rates will happen in 2 parts:

### PART 1: PAYMENT RATES INCREASE 2.5% BEGINNING WITH OCTOBER SERVICES

For service dates beginning in October 2010 (and moving forward) the rates in our system will be automatically adjusted, increasing all rates by 2.5%.

- Providers will be identified by the IME and the rate will be increased automatically in our authorization system as a first step. However, the consumer and Case Manager must actually approve this increase before it can be paid.
- To approve this increase, the Case Manager needs to execute the authorization on the consumer's file. If this happens, the provider is sent a Notice of Decision (NOD) from the Case Manager with the new, increased rate. The NOD will be sent to providers before November 1, 2010, in time for billing October services.
- If a provider receives a NOD with the increased rate, they should bill at this new rate (from the NOD) beginning with the claim for October 2010 services.
- If the consumer and Case Manager do not approve the increase, no NOD is sent and the existing rate continues.
- CDAC providers who have any questions about their current rate or the approval of the increase will need to contact their Case Manager and/or consumer.

### PART 2: A RETRO-PAYMENT WILL BE MADE FOR JULY - SEPTEMBER SERVICES

Because the effective date of the restoration is July 1, 2010, a one-time, lump sum payment will be sent to affected providers in November 2010 reflecting the 2.5% restoration amount remaining to be settled for any July, August and September 2010 claims that were already submitted and paid through the IME by October 31, 2010.

- Affected providers will be automatically identified by the IME; no further action by the provider is necessary to secure the additional payment in November.

The IME appreciates your partnership as we work together to serve the needs of Iowa Medicaid members. If you have any questions, please contact the IME Provider Services CDAC call center at 1-800-338-7909 option 3, or locally (Des Moines) at 256-4609 option 3, or by e-mail: [imeproviderservices@dhs.state.ia.us](mailto:imeproviderservices@dhs.state.ia.us).